

long, as the Fed simultaneously increased the money supply and economic bubbles were created. In 2006, financial experts throughout the Nation pointed out that the housing bubble was collapsing, yet the Fed took no action until it was too late, and tens of thousands of families found themselves in foreclosure.

Another major factor in the economic meltdown was the questionable financial transactions by the holding companies of the largest banks and Wall Street firms, which are regulated by the Federal Reserve. It is clear now that the Fed abdicated its role as a regulator of these entities. Just last month, Mr. Bernanke admitted in front of the Senate Banking Committee that, "In the area where we had responsibility, the bank holding companies, we should have done more."

The irony of his comments are that the Fed has plenty of power and authority to deal with the kinds of abuses we have seen in the financial industry and within the housing market, but they refused to act. Under the leadership of Mr. Bernanke, the Fed chose to ignore the abuses going on in the mortgage industry, particularly with subprime loans.

The Fed also chose to ignore Wall Street's risky off-balance-sheet transactions that created a domino effect that rippled through our economy. Bloomberg reported that the Fed itself entered into trillions in off-balance-sheet transactions last year, but the Fed's own Inspector General has not even attempted to audit or to investigate these transactions. Astoundingly, Mr. Bernanke is now advocating that Congress grant the Fed even greater regulatory power. We need to audit the Federal Reserve now.

In discussing Mr. Bernanke's failings as Fed Chairman, it is important to point out that he served on the Board of Governors of the Federal Reserve from 2002 to 2005 before becoming Chairman. He is no novice, yet he ignored distress calls about our imminent financial meltdown.

And Mr. Bernanke has not been forthcoming in explaining to Congress and the American people who in the private sector the Fed has chosen to subsidize with American taxpayers' dollars and for what reason and for what amounts. Mr. Bernanke has also been unable to fully explain and account for the \$500 billion the Fed has lent to central banks in Europe. Instead, he continues to hide behind the longstanding premise that monetary policy should be free from political pressure, coupled with the convenience of the Fed not being a public agency and, thus, not being obligated to publicly account for its actions.

Mr. Speaker, it is not his money. It belongs to the American taxpayers. Under Mr. Bernanke's leadership, the Fed even strove to keep the details of AIG's overpayments to its counterparties secret, as recently revealed by a newly disclosed e-mail from a New

York Fed official. The e-mail clearly demonstrates the kind of culture that Bernanke oversaw at the Fed, one of secrecy and willingness to stifle important public disclosure pertaining to the financial crisis. But again, it is not his money.

After the difficult financial year we have had, common sense dictates a change in leadership at the Federal Reserve. Reconfirming Mr. Bernanke to a second term is like putting a stamp of approval on the health of our unstable economy while guaranteeing more of the same failed policies. More of the same is not the solution to our economic downturn and crisis in the financial markets. We need a complete departure from the failed policies of the past.

Mr. Bernanke steered our financial system directly onto the rocks. Should we really put him at the helm again? No.

BANK BAILOUTS

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Arizona (Mrs. KIRKPATRICK) for 5 minutes.

Mrs. KIRKPATRICK of Arizona. Mr. Speaker, I rise today to express outrage, outrage at the information that has recently come to light about the AIG bailout. Though it may not be clear yet who should be held accountable, one thing is clear: The American people will not tolerate the use of taxpayer dollars for use in backdoor bailouts where the details are treated as classified, using methods typically reserved for matters of national security.

Though some financial matters may require protection as a matter of national security, it does not appear that the AIG bailout rises to that standard. At a time when our Nation is actively engaged in wars on two fronts, and terrorists and traffickers are always looking for means to breach our defenses, such treatment should be reserved for documents pertaining to actual security threats.

I opposed the Troubled Asset Relief Program from the very beginning because it focused too much on Wall Street and its executives and not enough on the problems that face working Arizona families. It does too little to hold accountable the banks and corporations that have benefited from billions in taxpayer dollars. The House Oversight Committee and the GAO are now investigating the entire AIG bailout. They should complete their work as quickly as possible so the results can be released to the American taxpayers.

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BREAKING THE UNEMPLOYMENT BARRIER

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Florida (Ms. ROS-LEHTINEN) for 5 minutes.

Ms. ROS-LEHTINEN. Mr. Speaker, I rise today to ask how we can break the national 10 percent unemployment barrier which has now hit my home State of Florida hard with a totally unacceptable 11.8 percent unemployment rate.

The congressional leadership has created a cloud of uncertainty over the economy, with support for more oppressive regulations, skyrocketing deficits, tax increases, and trade barriers. The administration's spending policies, including the nearly \$1 trillion stimulus bill, have drastically increased the national debt by 23 percent, while unemployment has increased by more than 3 million. And today the CBO announced that the U.S. deficit for the current fiscal year will come in at \$1.3 trillion, which means that in the 1 year in which the party controlling the White House and Congress has been entrenched, the annual deficit has increased by over 300 percent.

We need to do everything we can to encourage entrepreneurs and small businesses to once again create jobs through sensible regulation, through reduced government spending, lower taxes and greater investment in education.

I am looking forward to the President's State of the Union message to see what course he has set for this year and will look forward to working with Members in a bipartisan manner to help bring our economy to full employment as soon as possible.

NATIONAL SCHOOL COUNSELING WEEK

Ms. ROS-LEHTINEN. Later on, Mr. Speaker, we will be discussing an important resolution which designates the week of February 1 as National School Counseling Week on behalf of each and every child that these counselors have helped. As a mother, as a grandmother, and as a former Florida certified teacher, I recognize just how important it is to fully support our children at every turn. School counselors across the Nation share the same commendable goal to meet the needs of every child. They work each and every day to offer our children their expert guidance and compassionate care. Whether at home or in school, every child will face new and sometimes difficult situations as they develop into young adults. Through a strong family, many children are able to navigate potentially difficult situations, emotions and decisions from a positive base. But even with the most cohesive and supportive of families, there are times when a growing child needs outside counsel.

Our school counselors can offer children this vital resource: trusted and impartial guides in times of uncertainty as well as thoughtful friends for uncomfortable questions. And they willingly work with all children, regardless of their background or history, and are often the last lifeline for our troubled children.

We all recognize that children go through tremendous social, personal